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SUBJECT: PRIME MINISTER TARICEANU TELLS AMBASSADOR BASESCU
SHOULD BE TAUGHT "A LESSON"

Classified By: Ambassador Nicholas F. Taubman, for reasons
1.5 (b) and (d)

¶1. (C) Summary: Prime Minister Tariceanu told the Ambassador at a March 13 meeting that he had decided to postpone European parliamentary elections until the fall because he feared that they could not be carried out in the current political turmoil in "a European manner." The PM appeared determined to stand up to what he characterized as President Basescu's continued interference in the work of his government. While expressing concern over the potential damage to Romania's reputation of a Presidential suspension, Tariceanu sounded as if he were prepared to see the motion to suspend the President go forward, saying suspension might serve to "teach the President a lesson." Despite the turmoil of the political scene, the PM emphasized his determination to work closely with the Ambassador in ensuring a timely privatization timetable for the Craiova automotive factory, which both GM and Ford are interested in buying. End Summary.

¶2. (C) Ambassador, DCM and Econ Chief met with Prime Minister Tariceanu on Tuesday, March 13, at the PM's request. The PM wanted to discuss and explain his recent decision to postpone Romania's elections for the European Parliament, which had been scheduled to take place on May 13. In addition, he wanted to review the Craiova automotive factory privatization process.

Postponement of Elections to Protect EU's Image

¶3. (C) The PM gave the Ambassador a detailed explanation of his decision to postpone the European Parliamentary elections. The PM observed that the political dynamics in other new EU member countries, in which domestic political issues crowd out the debate about EU issues, made him concerned that the same thing would happen in Romania. The PM professed concern that, given the current turbulence in the domestic political scene, the EU elections would see the election of representatives like those in Gigi Becali's New Generation Party rather than politicians who represent "true Romanian values."

¶4. (C) The PM claimed that he had asked the opposition parties to cease their attempts to suspend the President and had also requested that President Basescu postpone his push for a referendum for uninominal voting. The PM asserted that neither side was willing to listen to reason and therefore the PM had taken the step of postponing the European Parliament elections to let the situation calm down. The new date for the elections would be in the fall, although the date was not yet certain.

¶5. (C) When the Ambassador asked the PM why he believed the political situation would be any better in the fall, the PM said he would seek to convince both sides to refrain from

their respective plans (the opposition's effort to suspend the President, and the President's call for a referendum shifting election of parliamentarians to a uninominal system). The PM claimed that he would be speaking to leaders of all the political parties in the near future.

"Teaching the President a Lesson"

¶16. (C) The Ambassador observed that the recent political mudslinging and public arguments between the PM and President Basescu were harmful to Romania's image; Romania needed to have a government that could function for Romanians. The PM said he too was frustrated but asserted the problems were not his doing. He acknowledged that he and his government were hamstrung by the political feuding and that Romania was in danger of losing momentum and even investment due to the infighting. Tariceanu recalled how the Democratic Alliance government had been formed in 2005 with a razor-thin parliamentary majority, asserting that "now the President has blown up the majority" by forcing the departure of the Conservative Party from government.

¶17. (C) When asked for his take on his view about the move by the opposition to suspend the President for 30 days, the PM candidly said he had a mixed view. On the one hand, the suspension effort was giving Romania a bad image, to both domestic and foreign audiences. On the other hand, however, Tariceanu observed that he had felt the President's actions "on my own skin," and perhaps it was time to "teach him a lesson." The PM wanted, he added, to remind the President that there was such a thing as the separation of powers. That said, the PM claimed that his party (PNL) had taken no final decision yet about how to vote in parliament regarding suspension. The PNL would "see how things go" in the coming weeks. The PM commented that the President was beginning to

BUCHAREST 00000300 002 OF 002

realize he was more and more isolated politically.

¶18. (C) In the meantime, Tariceanu insisted he would press on with the business of governing. He told the Ambassador that he planned to speak out in favor of a law establishing a National Integrity Agency in a speech before the Senate on March 14. The PM would also go to parliament next week to discuss issues that were raised in the most recent European Council meeting, including on energy.

Craiova Privatization still going forward

¶19. (C) Tariceanu assured the Ambassador that the GOR was still interested in an expedited privatization of the Craiova automotive factory. Even on this issue, however, he got in a dig at President Basescu, claiming that despite the President's being a "stick in the wheel," the PM had created the Commission for Privatization for the factory (Basescu had publicly criticized the terms of reference for the commission, which initially had included the right of the ministers serving on it to draw handsome bonuses for their contributions.) The Ambassador asked the PM and the GOR to establish a firm timetable for the privatization so that all bidders would be on the same page. The PM assured that Ambassador that the end of June was still the target date for the finalization of the sale, but also pledged to get the GOR to issue a firm calendar for privatization.

Comment

¶10. (C) The PM's candid remarks about seeing Basescu taught a lesson through a suspension from office, however caveated, suggest that Tariceanu will not go out of his way to encourage a different outcome. That reticence to look past the bruising political combat between the two palaces, as well as the fact that any eventual suspension vote would be held by secret ballot, make the prospect for a 30-day suspension of Basescu more real. At this juncture, the Prime Minister's star is rising, at least on the day-to-day

political scorecard. He, more than President Basescu, appears to be the figure who has options. End Comment.

TAUBMAN